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JUN 4 2019

Resolution 28-1

Andy Goleman  
SANGAMON COUNTY AUDITOR

**WHEREAS**, on December 11, 2018 the Sangamon County Board adopted new policies and procedures to provide assurance that grant awards are approved by the appropriate County officials and that all grants awarded to County departments and offices are managed in accordance with the applicable grant requirement; and

**WHEREAS**, those policies and procedures need to be amended to correct a drafting error contained in the original adopted version; and

**WHEREAS**, the amendment reflects the original intent of the policy to state that the application and acceptance of grants of less than \$3,500 only need approval at the department level, and

**WHEREAS**, the application and acceptance of grants from \$3,500 to \$29,999 need the approval of the appropriate oversight committee and the Finance Committee; and

**WHEREAS**, the application and acceptance of grants of \$30,000 or more need the approval of the appropriate oversight committee, the Finance Committee and the County Board; and

**NOW THEREFORE BE IT RESOLVED**, by the members of the Sangamon County Board in session this 11<sup>th</sup> day of June, 2019, that the Sangamon County Grant Management Policy is hereby amended.

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**FILED**

JUN 05 2019

*Don J. Hay*  
Sangamon County Clerk



JUN 4 2019

**Finance Committee Resolution****Policy – Grant Management**Andy Goleman  
SANGAMON COUNTY AUDITOR**Purpose -**

Sangamon County receives a significant amount of financial assistance in the form of grants from the Federal and State governments, as well as from other entities. The receipt of such assistance is governed by numerous Federal and State laws, regulations and administrative mandates which are defined, or cited, in the grant agreements with the awarding entity. In order to continue receiving such assistance, the County is required to establish a system of internal controls which provides reasonable assurance that departments are managing their grant programs in compliance with the applicable mandates. A department's failure to ensure compliance with such mandates could result in the loss of grant assistance and the repayment of grant funds, and could also impact grants awarded to all other departments of the County.

The purpose of this policy is to summarize the assignment of organizational responsibilities within the County which have been established to ensure that the appropriate County officials are aware all grants awarded to County departments; to coordinate the County's oversight and management of grant programs; and to ensure compliance with relevant grant requirements. All elected offices, departments, and component units for which the County is financially accountable shall comply with the requirements set forth in the policy. Exceptions to this policy must be approved by the Finance Committee.

This policy becomes effective upon approval by the County Board June 11, 2019, and replaces the "Grant Policy" approved by the Sangamon County Finance Committee on November 27, 2018.

**Policy Requirements**

- I. **Applications, Acceptance of Grant Awards and Grant Amendments**
  - A. All grant applications, and the acceptance thereof, regardless of funding source must be approved according to the following schedule before the grant application can be submitted to the grantor for processing:
    - a. Application and acceptance of grants less than \$3,500 require department head approval only;
    - b. Application and acceptance of grants from \$3,500 to \$29,999 require oversight committee and Finance Committee approval;
    - c. Application and acceptance of grants of \$30,000 or more require oversight committee, Finance Committee and County Board approval
  - B. The County Administrator is authorized to approve grant applications when grant funding opportunities arise on short notice and committee and/or County Board approval cannot be obtained prior to the due date of the grant application. In such instances, the grant application must be reported to the appropriate oversight committee, Finance Committee and/or County Board, as specified in Section A., at their next regularly scheduled meeting(s).

- C. To ensure the timely acceptance of grant awards, one resolution document may be used to request committee approval and/or County Board approval to apply for and accept the grant if awarded by the grantor agency. Resolutions should be routed for approval through the oversight committee, then to the Finance Committee (if necessary), then to the County Board (if necessary)

Resolutions requesting approval to accept grant awards must identify who is authorized to sign required documents to execute the grant agreement. This should be the County Administrator, unless the grantor agency requires the signature of a different County official or other signature authority has been approved by the County Board Chairman. After a grant agreement has been signed by the designated County official, authority to sign financial reports, billing requests and other routinely required grant documents is delegated to the director of the department receiving the grant.

A completed "Grant Approval" form must be attached to all resolutions requesting approval to apply for and accept grant awards. This form is available on the Auditor's page of the County's intranet. The purpose of the Grant Approval form is to capture standard information needed to evaluate grant proposals. Specific information which must be recorded on the Grant Approval form includes:

1. Identification of grantor agency
2. A brief summary of the grant program and its benefits to the residents of the County
3. Anticipated grant revenue and the amount and source of funds needed for matching funds
4. A brief description of any legal requirements imposed on the County by entering into the grant agreement
5. A budget breakdown showing estimated personnel and other costs associated with the grant

Departments may obtain copies of sample grant resolutions from the Auditor's Office.

- D. In a limited number of instances, grants for ongoing programs automatically renew each year and formal applications are not required by the grantor to continue to receive grant funding. For example, the State now considers the statutory distribution of motor fuel tax funds to be a grant, but does not require an application to receive such funding nor does the State currently issue notices of award for such grants. Committee and/or Board approval is not required to continue participation in these ongoing grant programs. However, on an annual basis, departments must provide their oversight committees and the Finance Committee with fiscal summaries of these grant programs. Departments should work with the Auditor's Office to develop the format of such summary reports.
- E. Amendments to grant awards must be approved by the County Board if the amendment increases the grant award by \$30,000 or more. Amendments which change the value of the grant award by \$3,500 to \$29,999 may be approved by the oversight committee and Finance Committee. Amendments which change the value of the grant award by less than \$3,500, transfer funds among budget lines, and/or make minor changes in the grant which do not change funding levels may be approved by the department head. The County Administrator is authorized to approve

grant amendments when the approval of such amendments is required before the next regularly scheduled meeting of the County Board (or oversight and Finance Committee). In such instances, the approved amendment must be reported to the Board and appropriate committees at their next regularly scheduled meetings.

- F. The State's Grant Accountability and Transparency Unit (GATU) now issues Notices of State Award (NOSAs) to grant applicants to inform them that their applications have been accepted. NOSAs identify the amount of the pending grant award and may list specific actions the applicant must agree to implement to receive a grant. GATU requires an official of the grant applicant to electronically accept all NOSAs before the State will process the final documents to execute a grant. All NOSAs for grant awards to County departments must be accepted by the County Auditor's Office. Before accepting a NOSA, the Auditor's Office shall confirm that the County Board (and/or oversight and Finance Committees) approved the acceptance of the grant and shall review any specific actions required by GATU to receive the grant award to ensure that the appropriate County officials are aware of and concur with the implementation of such actions.

## **II. Grant Management Responsibilities**

- A. Departments that have been awarded grants from the Federal or State governments or from other entities are responsible for being aware of the requirements associated with the receipt of such grants and for establishing policies and procedures and other internal controls to ensure that their grants are managed in compliance with all applicable requirements. The grant procedures developed by each agency must at a minimum include provisions to ensure that:
1. Only allowable costs are charged to grants.
  2. Required fiscal and programmatic reports are submitted to the grantor agency in a timely and accurate manner.
  3. All grant activities are adequately documented and such documentation is retained in accordance with grant requirements.
  4. All procurement transactions for grant programs are processed in accordance with the County's procurement policies and procedures which have been developed to comply with requirements established by the Federal and State governments.
  5. All equipment and other assets that are purchased with grant funds are reported to the Auditor's Office for entry into the County's fixed asset system and physical inventories of such equipment are performed on a biennial basis as required by Federal and State grant regulations.
  6. The recipients of sub-grants are adequately monitored.
  7. Grant receipts are managed in accordance applicable cash management requirements.
  8. Grant objectives are achieved in an efficient and effective manner.
- B. Departments must use the project/grant module of the County's accounting system to document their expenditures, including personnel expenditures, matching cost and receipts for grant programs. Reports from this system, rather than separately maintained spreadsheets, must be used to prepare requests for grant reimbursements and other fiscal reports required by the grantor agency or County Auditor's Office. Exemptions to this requirement may be authorized by

the Auditor's Office in instances where departments can demonstrate that the County's accounting system does not meet their grant reporting needs.

- C. The Auditor's Office shall be responsible for coordinating the preparation and distribution of the County's annual Single Audit and other audits which are required by the Federal and State governments. As part of this responsibility, the Auditor's Office shall prepare the required Schedule of Expenditures of Federal Awards (SEFA) and Consolidated Year-End Financial Report (CYEFR). These two grant schedules will be prepared using information provided by departments which receive grant funding. Departments are responsible for ensuring the accuracy of the financial information provided to the Auditor's Office.
- D. The Auditor's Office shall coordinate the annual preparation of indirect cost rate proposals for the County's grant programs and will assist departments, as needed, in submitting such proposals to the State for its approval.
- E. The Auditor's Office may provide technical assistance and advice to other departments of the County on grant related matters. As part of this effort, the Auditor's Office shall assist departments in their efforts to provide staff training on grant related topics.

Approved by Finance Committee

June 11, 2019

_____ , Chairman	_____ , Member
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